

MODIFIED DECISION RECORD
Peak Powder River Resources, LLC,
Iberlin Fed 1 Plan of Development (POD)
Categorical Exclusion 3 (CX3), WY-070-390CX3-15-101 to -116
Bureau of Land Management, Buffalo Field Office, Wyoming

INTRODUCTION. The BLM signed the original Decision Record for the Iberlin Fed 1 POD on April 1, 2015, at the time 12 APDs were deferred pending completion of National Historic Preservation Act (NHPA) Section 106 consultation. NHPA consultation has now been completed.

DECISION. The BLM approves the applications for permit to drill (APDs) from Peak Powder River Resources, LLC (Peak) to drill 12 wells and construct their associated infrastructure as described in the CX3 analysis, WY-070-390CX3-15-101 to -116, all of which the BLM incorporates here by reference.

Compliance. This decision complies with or supports:

- Federal Land Policy and Management Act of 1976 (FLPMA) (43 USC 1701); DOI Order 3310.
- Mineral Leasing Act of 1920 (MLA) (30 U.S.C. 181); including the Onshore Oil and Gas Orders.
- National Environmental Policy Act of 1969 (NEPA) (42 USC 4321).
- National Historic Preservation Act of 1966 (NHPA) (16 USC 470).
- Powder River Basin Oil and Gas Project Final Environmental Impact Statement (PRB FEIS) (2003).
- Buffalo Resource Management Plan (RMP) (1985) and Amendments 2003, 2011).
- Greater Sage-Grouse (GSG) Habitat Management Policy on Wyoming BLM Administered Public Lands (WY-IM-2012-019) and Greater Sage-Grouse Interim Management Policies and Procedures (WO-IM-2012-043).

A summary of the details of the approval follows. The CX3 analysis, WY-070-390CX3-15-101 to -116, initially approved 4 APDs while deferring these 12 APD's on 4/1/2015. The approval includes the project description, including site-specific mitigation measures which are incorporated by reference into this Modified Decision Record, from earlier analysis. The proposed wells are approximately 15 miles southwest of Wright in Campbell County, Wyoming. The Iberlin Fed 1 POD proposal included 16 APDs to develop and produce oil and natural gas from several formations of the PRB. All wells are horizontal bores drilled from 3 pad locations.

Approvals. BLM approves the following, previously deferred, 12 APD's and support facilities:

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
1-6 PAD	Iberlin Fed #1-6H	N	W	7	42N-74W	FEDERAL	WY-070-390CX3-15-101
	Iberlin Fed #1-6MH						WY-070-390CX3-15-102
	Iberlin Fed #1-6TH						WY-070-390CX3-15-103
	Iberlin Fed #2-7H					FEDERAL	WY-070-390CX3-15-110
	Iberlin Fed #2-7MH						WY-070-390CX3-15-111
	Iberlin Fed #2-7TH						WY-070-390CX3-15-112

Pad Name	Well Name & #	Qtr	Sec	Twp	Rng	Surface Hole Lease	CX #
2-6 PAD	Iberlin Fed #2-6H	NENE s7 42N-74W				FEDERAL	WY-070-390CX3-15-107
	Iberlin Fed #2-6MH						WY-070-390CX3-15-108
	Iberlin Fed #2-6TH						WY-070-390CX3-15-109
	Iberlin Fed #1-7H					FEDERAL	WY-070-390CX3-15-104
	Iberlin Fed #1-7MH						WY-070-390CX3-15-105
	Iberlin Fed #1-7TH						WY-070-390CX3-15-106

BLM approves its decision on the twelve (12) APD's as compliance with Section 106 of the National Historic Preservation Act (NHPA) and the NEPA analysis is now complete and BLM can issue a final decision on the applications. BLM has completed the Section 106 eligibility and effect consultation with the Wyoming State Historic Preservation Officer (WYSHPO). The Sievers Ranch was determined to be ineligible for the National Register of Historic Places.

THE FINDING OF NO SIGNIFICANT IMPACT (FONSI). Congress, the Department of Interior and BLM affirmed there was no significant impact of a like-structured project when they created this CX3 and its limiting parameters. Thus a FONSI and an EIS is not required.

COMMENT OR NEW INFORMATION SUMMARY. Consultation on eligibility and effect to site 48CA1559 (Sievers Ranch) with the WYSHPO has taken place and based on this consultation BLM has determined site 48CA1559 not eligible for the NRHP and that the 12 APDs will have no effect to the site.

DECISION RATIONALE. The approval of this project is because:

1. Mitigation measures and COA's analyzed in the CX3, in environmental impact statements or environmental analysis to which the CX3 tiers or incorporates by reference will reduce environmental impacts while meeting the BLM's need.
2. The approved project conditioned by its design features and COAs, will not result in any undue or unnecessary environmental degradation. The impact of this development cumulatively contributes to the potential for local GSG extirpation yet its effect is acceptable because it is outside priority habitats and is within the parameters of the PRB FEIS/ROD and current BLM and Wyoming GSG conservation strategies. There are no conflicts anticipated or demonstrated with current uses in the area. This decision approving the Iberlin Fed 1 POD complies with the Energy Policy Act of 2005, Section 390, 43 CFR 1610.5, 40 CFR 1508.4, and 43 CFR 46.215.
3. Approval of this project conforms to the terms and the conditions of the 1985 Buffalo RMP (BLM 1985), subsequent update (BLM 2001), and amendments (BLM 2003, 2011). This project complies with the breadth and constraints of CX3, Energy Policy Act of 2005, and subsequent policy.
4. The Resource Management Plan (RMP) for the Buffalo Field Office is currently undergoing revision. The Draft RMP and Environmental Impact Statement was released in June 2013. The proposed action was screened against the Draft RMP to ensure that the proposed action would not preclude BLM's ability to select any alternative in a ROD. The proposed action was also determined to not be inconsistent with the direction outlined in the RMP's Preferred Alternative.
5. The selected alternative will help meet the nation's energy need, revenues, and stimulate local economies by maintaining workforces.
6. The operator, in their POD, shall:
 - Comply with all applicable federal, state, and local laws and regulations.
 - They have offered water well agreements to the owners of record for permitted water wells within 0.5 mile of a federal producing well in the POD (PRB FEIS ROD, p. 7).

7. The project is clearly lacking in wilderness characteristics because it is amidst mineral development within a designated gas producing unit and there is no federal surface within the POD boundary. A wilderness characteristics inventory was completed in 2013; no lands with wilderness characteristics were identified outside the Big Horn Mountains. The inventory is available at: <http://www.blm.gov/wy/st/en/programs/Planning/rmps/buffalo/docs.html>.
8. This decision does not foreclose the lessee or operator to propose a new or supplementary plan for developing the federal oil and gas lease(s) in this project area, including submission of additional APDs to drain minerals in accord with lease rights and law.
9. Peak certified there is a surface use access agreement with the landowners.
10. This approval is subject to adherence with all of the operating plans, design features, and mitigation measures contained in the master surface use plan of operations, drilling plan, water management plan, and information in individual APD's.

ADMINISTRATIVE REVIEW AND APPEAL. This decision is subject to administrative review according to 43 CFR 3165. Request for administrative review of this decision must include information required under 43 CFR 3165.3(b) (State Director Review), including all supporting documentation. Such a request must be filed in writing with the State Director, Bureau of Land Management, P.O. Box 1828, Cheyenne, Wyoming 82003, no later than 20 business days after this Decision Record is received or considered to have been received. Parties adversely affected by the State Director's decision may appeal that decision to the Interior Board of Land Appeals, as provided in 43 CFR 3165.4.

Field Manager: /s/ Duane W. Spencer

Date: 4/11/2015